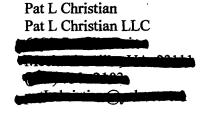
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July 3, 2006

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Federal Trade Commission Office of the Secretary Room H-135 (Annex W)

Re: Business Opportunity Rule, R511993

600 Pennsylvania Avenue, NW

Washington, DC 20580

Re: Business Opportunity Rule, R511993 -- Opposed

Dear FTC Office of the Secretary Associate:

I am writing this letter because I am deeply concerned about the negative impact to my business and associated partners due to the proposed Business Opportunity Rule R511993. I believe that in its present form, it would prevent me from continuing as a distributor for NuSkin Enterprises and interfere with my personal consulting business. This would create a tremendous hardship for me as these are my livelihood.

I appreciate that the FTC is responsible to protect the public from "unfair and deceptive acts or practices"; however, my team and I already conduct ourselves with integrity in all of our business practices. Some of the sections in the proposed rule will make it nearly impossible for me to sell NuSkin Enterprises products, or any of the other companies' products I may want to offer.

I have been an Information Technology Consultant for the past 5 years. Due to local and national economic factors, I have not been able to support my family and meet my financial obligations with this income alone. During the past year I have been developing my new career as a direct sales and network marketing professional. I have put considerable time and income into training and development. The additional income and personal development I receive in my network marketing and direct sales business provides me a way to support my family and provide for me at retirement, which is not many years off. (I have very little retirement savings at this time due to a series of personal crises.) I am almost at retirement age and am dependent on my direct sales and network marketing business in order to support my college age children and myself. They still require considerable assistance to survive financially them selves. I am a single parent, and am my children's only means of support.

Originally, I became a distributor with NuSkin Enterprises in order to represent Photomax. I am very excited about the company's vision and understanding of future technologies. I quickly found that the other divisions: Pharmanex, NuSkin, and BigPlanet also had outstanding products. Most of my income is derived from these product lines. Further, I also sell VitaMeals through Nourish the Children, an initiative of NuSkin Enterprises. Through collaboration with Feed the Children and other non-profits and agencies, we are able to nourish starving children for a fraction of the actual cost. Interfering with my business, as this section proposes, would not only negatively impact me and my family, but also malnourished people in this country and in a number of other countries. It

will also have a negative impact on the non-profits and government agencies we work with for food distribution. This is very very wrong.

## 7 Day Waiting Period is Disruptive

One of the most disruptive sections of the proposed rule is the seven-day waiting period to enroll new distributors. There is no cost to become a NuSkin distributor. Sales kits typically are purchased with product, and the options are many. (Typically distributors may spend from \$300-\$1,300, but many join for free, and purchase what they need to as they can afford to.) A 7 day waiting period is not only ridiculous, but prejudicial against direct sales and network marketing professionals, since there is no similar restriction on brick and mortar retail sellers. This waiting period gives the impression that there is something wrong with the company, the compensation plan, or the products, or me. I do not appreciate the implication that I am as an entrepreneur somehow not respected by the government as an acceptable and honorable business owner and supplier of goods and services. This seven-day waiting period is absolutely unnecessary, because NuSkin Enterprises already has a 100% return policy for all products purchased within the last twelve months. Further it is already the law in Virginia that any contract may be rescinded within 48 hours by the purchaser, without any loss of invested monies.

It is enough of a challenge to manage all of life's complexities, perform consulting, doing coaching and selling. It would be too burdensome for me to keep such detailed records about when I first talk to someone about NuSkin Enterprises, and then send periodic reports to my company headquarters. Further, that interferes with my autonomy as an independent distributor. As network marketing implies by its name, customers and distributors are often developed from our network of friends, family, and acquaintances. It is a way of life and such reporting is inappropriate and ridiculous.

## Disclosing Litigation is Prejudicial to Direct Sellers

The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless NuSkin Enterprises was found guilty. Even if that were the case, in this media pervasive society such information would be readily available to the public. Once again, I feel this requirement is prejudicial against direct sellers. The sales people in brick and mortar companies are not required to tell me about their company's lawsuits before selling me a product. Imagine how much effort it would take for Walmart to conduct their business like that. This is extremely disturbing to think that such unfair treatment is being considered for leverage against us independent distributors.

## Disclosure of Prior Purchasers Violates Personal Privacy

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. This is absolutely ridiculous. When a new distributor wants to join our team and work with us, they are introduced to their immediate and up line teams and sponsors. This forms a rich support system for the new distributor. They get to meet upwards of 100's of people if they so desire. Geographic location is national and international.

I am glad to provide references for a product or distributorship if a prospective customer/distributor requests it, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. Also, giving away this information

could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to NuSkin Enterprises headquarters and then wait for the list.

I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson - "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." This in itself is a violation of personal privacy laws. People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met. Further, this information is typically protected by all other vendors. Why are we being singled out in this fashion? Again this appears to be a very anti-home business distributor action.

I appreciate the work that the FTC has done in the past to protect the consumer; however, this proposed new rule will have dire consequences to home-based business owners and their families. There are many more effective alternatives available to achieving addressing distributor sales abuse than those presented in this ruling.

Thank you for your time in considering my comments. Please do not pass this ruling. You will be doing a grave injustice to many many people...and in the end there will be no benefit, only a very high cost in increased unemployment and other government benefits and regulations, to name just a few.

